

Our mission

is to promote economic opportunity and financial security for individuals and businesses through quality, responsive and expert services; fair and equitable employment solutions; and safe and sound business practices.



2

Unemployment
Insurance fraud
and provisions

3

SIDES
E-Reponse
makes it easy

4

Get labor law
posters at no
charge

April 2013
www.sdjobs.org

Independent Contractor or Employee?

Contract labor is perhaps one of the most misused categories of workers in the workforce. Employers cannot assume casual, temporary or part-time labor, or individuals who sign independent contractor agreements will be considered contract labor. Nor does issuing a 1099 and not withholding taxes make an individual an independent contractor.

For a person to be an independent contractor, a worker must be both free from direction and control and have an independently established business.

By law, a worker cannot sign away their rights to Unemployment Insurance. The worker must meet the independent contractor criteria to be considered anything other than your employee.

If you have questions about whether an individual is an employee or an independent contractor, please visit www.sdjobs.org or contact the South Dakota Unemployment Insurance Division at 605.626.2312. ■

Here are some criteria to indicate a person is an employee:

1. Insulated from loss and restricted in the amount of gain
2. Hired for an ongoing period
3. Must follow your instructions on how to do the job
4. Trained by the employer
5. Adheres to work hours set by the employer
6. Working on a regular basis
7. Equipment and supplies provided by employer
8. Do not have an ongoing business of their own



Unemployment Insurance

What is UI Fraud? How Can I Help?

Unemployment Insurance (UI) fraud is the deliberate misrepresentation or concealment of facts in order to obtain or increase unemployment insurance benefits. Most people who file for UI benefits are honest, but there are a few who are not. Fraud, no matter how small, IS serious. Not only does it impact honest claimants, it also affects employers both directly and indirectly.

Most employers are directly charged for employees who fraudulently claim UI benefits. These charges remain against your account until the fraud is discovered. All employers bear the indirect monetary effects of the fraud until the money is paid back by the guilty claimants.

If you suspect someone is committing UI fraud, you can contact the South Dakota Unemployment Insurance Division at 605.626.7649 or unemploymentfraud@state.sd.us. ■

Here is a list of some
examples of fraud.



youtube.com/SouthDakotaDLR

- Not reporting income from part-time or temporary work
- Waiting until first payment is received before notifying UI
- Not actively searching for work
- Not being available to accept a new job
- Refusing an offer of suitable work

South Dakota Legislature Adopts Integrity Provisions

In the 2013 Legislative Session, Governor Daugaard signed HB1055 into law. It creates two new tools for the Unemployment Insurance Division to combat unemployment fraud and to protect the integrity of our State unemployment insurance program. These two integrity provisions are federal mandates under the Trade Adjustment Assistance Extension Act of 2011.

The first provision establishes a monetary penalty for claimants who commit blatant, intentional fraud and removes the one-year limitation period for enforcing administrative fraud penalties. HB1055 establishes a monetary penalty of 50 percent of the amount of the

overpayment for the first offense. Any subsequent offenses would result in a monetary penalty of 100 percent of the amount of the overpayment.

The second provision affects employers. If an improper benefit payment occurs because the employer or their agency representative failed to respond timely or adequately to the Department's request for information, they will not be eligible to receive a credit to their account.

If you have questions regarding HB1055, contact the South Dakota Unemployment Insurance Division at 605.626.2312. ■

HB1055 SIGNED INTO LAW, 2013
2 NEW TOOLS TO COMBAT FRAUD

Providing Information is Easy Using SIDES E-Response

Looking for a way to automate your business's response to Unemployment Insurance (UI) claim notices? Responses can now be submitted electronically through the State Information Data Exchange System (SIDES) E-Response system.

The SIDES E-Response website provides an efficient, secure and standardized format for responses to UI claim notices. The new electronic system is a cost savings to employers. It reduces benefit overpayments, staff time and paperwork.

visit info.uisides.org

SIDES E-Response

is especially helpful to those that operate in multiple states or handle a large volume of UI information requests. To register for the system, visit www.sdjobs.org.

If you would like further information on SIDES E-Response, visit <http://info.uisides.org> or contact the South Dakota Unemployment Insurance Division at 605.626.2312. ■

Employer New Hire Requirements



Your business is required by the Personal Responsibility and Work Opportunity Reconciliation Act of 1996 to report new employees and rehired employees to the New Hire Reporting Center.

All public, private, nonprofit and government employers are required to report all employees within 20 days of hire who are newly hired, rehired or who return to work after a separation of 30 days or more to the New Hire Reporting Center. This includes full-time, part-time, seasonal and temporary employees for both adults and minors.

Information provided by businesses is used to locate parents who owe child support payments to the custodial parent and assists states in collecting child support. It is estimated more than 30 percent of child support cases involve parents who do not live in the same state as their children.

To report new hires or request additional information, visit www.sdjobs.org or contact the South Dakota Unemployment Insurance Division at 1.888.827.6078. ■

1st QUARTER REPORT REMINDER

The first quarter 2013 Employer's Quarterly Contribution, Investment Fee and Wage report, Form 21 is due April 30, 2013.

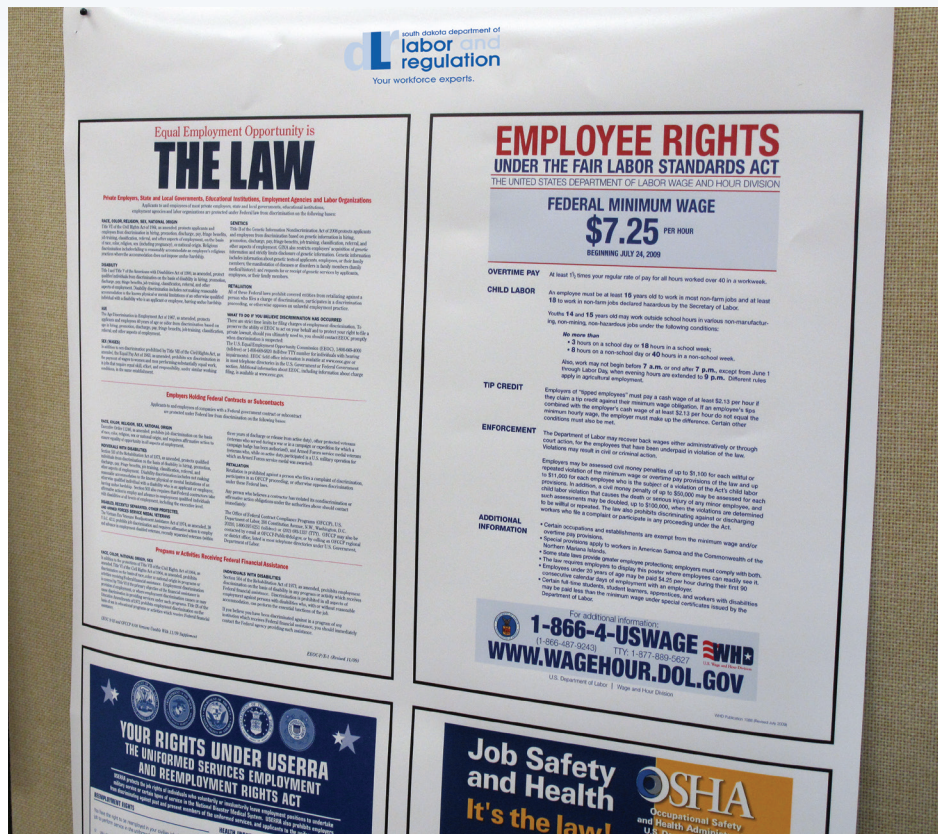
The fastest and most efficient way for employers to file their quarterly wage report is online. The Internet Quarterly Wage Reporting system allows the option of making your payment using electronic funds transfer or by check. The online method automatically calculates the gross, excess and taxable wages, and computes the taxes due. It is fast, safe and secure! To file a quarterly wage report, visit www.sdwagereport.com.

Please visit www.sdjobs.org to learn more or contact the South Dakota Unemployment Insurance Division at 605.626.2312.



For workforce services and information, visit any one of our 18 local offices
or go online to www.sdjobs.org.

Labor Law Posters Available at No Charge



Businesses, please beware of companies selling federal agency postings. Such companies often use scare tactics and bully you into purchasing posters from them. If you have been a victim of a poster scam or have been contacted by a company selling postings, please contact the Attorney General's Consumer Protection Division at 1.800.300.1986 with information or to file a complaint.

In February 2013, the Family Medical Leave Act (FMLA) updated its posting. The new FMLA posting can be downloaded at no cost at <http://www.dol.gov/whd/regs/compliance/posters/fmlaen.pdf> or provided by your DLR local office. It should have been displayed starting March 8, 2013. ■